(d) if so, the reasons for laying of cable connecting Chennai and Singapore by Bharat Sanchar Nigam Ltd. (BSNL) and to what extent it would be beneficial to subscribers; and

(e) whether any feasibility study has been conducted by BSNL keeping in view the costly infrastructure and if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) It is difficult to estimate whether there is an over supply scenario on the India-Singapore cable route as the cable that are built have a life of few years and they are created to meet the demands of the country. Further, the traffic is built up to various other countries including U.S.A. from Singapore.

(b) Does not arise in view of (a) above.

(c) Yes, Sir.

(d) and (e) M/s Bharat Sanchar Nigam Limited (BSNL) has informed that the submarine cable laying project on India Singapore route is at conceptual stage. So far feasibility study has not been conducted.

Reduction of licence fee for long distance service

1686. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whethr it is a fact that Government are proposing to reduce the licence fee for long-distance service providers;

(b) if so, whether it is a fact that the move will have current level of Government revenue directly to the tune of Rs. 500 crores;

(c) if so, in what manner Government are thinking of filling this revenue deficit; and

(d) whether Government have decided to reduce the licence fee for new entrants in the NLD services and it is the reason for controversy which has resulted in demanding compensation by the three major players which comes to Rs. 2800 crores?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) Yes, Sir. Government have decided to reduce the Licence Fee for Long Distance Services with effect from 1.1.2006.

(b) and (c) The estimated impact on the licence fee figurs of the financial year 2004-05 would be of the order of Rs. 400 crores annually at tariff and traffic as on 31.3.2005. However, it is felt that reduction in licence fee normally dues not make a negative impact for the contribution to the exchequer in terms of absolute values over a period of time due to increase in traffic.

(d) The change in licence fee and roll out obligations is applicable to existing as well as new entrants. The players have demanded compensation for difference in fee, cost of capital for capital expenditure for additional rollout, cost of capital for providing Bank Guarantees and difference in annual licence fee.

Depth of tower for receiving network

1687. SHRI DHARAM PAL SABHARWAL: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) what should be the ideal depth of the tower for receiving the network without any disturbances;

(b) whether the required depth are being maintained; and

(c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) to (c) The depth of tower depends upon soil conditions, height of tower and type of tower. The depth of tower have no correlation with the coverage without any disturbance.

Appointment of foreign nationals in telecom sector

1688. SHRI DHARAM PAL SABHARWAL: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether there is ambiguity with regard to appointment of top foreign national executives in telecom sector companies after the raising of FDI ceiling;

(b) if so, the action taken to clear the ambiguity;